IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICGTION

INCOME TAX REFERENCE NO. 709 of 1987

The Commissioner of Income Tax ... Applicant.

vs.

M/s. Khosla Plastics Pvt. Ltd., ... Respondent

Mr. Ashok Kotangale for Applicant.
Mr. B. Vaidya i/b.
S.N. Inamdar for Respondent.

CORAM:V.C.DAGA AND A. S. AGUIAR JJ.

Date: 6th July, 2005.

P. C.:

1. The questions of law referred to this court for opinion under section 256(1) of the Income-tax Act, by the Tribunal at the instance of the assessee are as follows:

1) Whether on the facts and in the circumstances of the case, the Tribunal was right was justified in law in holding that the contribution of rs.1,00,000/- and Rs.2,500/- for Assessment Years 1978-79 and 1979-80 respectively, by the assessee company to the

Employees' Welfare Fund Trust settled under an indenture dated 24.12.1977 is an allowable deduction under section 37 of the Act, in computing the total income of the assessee company.

2. Counsel for both sides agree that the question referred to above for our opinion has already been followed in the case of **Commissioner of Income Tax vs. B.G.Shirke & Co., reported in [2003] 127 TAX,AM 245 (BOM.).** In view of the above we answer the above question in the affirmative, in favour of the assessee and against the Revenue. This reference stands disposed of accordingly with no order as to costs.

(V. C. DAGA J.)

(A. S. AGUIAR J.)

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